

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF SOUTH KENTUCKY RURAL)	
ELECTRIC COOPERATIVE CORPORATION FOR A)	CASE NO.
CERTIFICATE OF CONVENIENCE AND NECESSITY TO)	96-109
CONSTRUCT ADDITIONAL LINES AND FACILITIES)	

O R D E R

South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") filed its application on March 22, 1996 for a Certificate of Public Convenience and Necessity to construct certain improvements and additions to its existing plant at a cost of \$10,508,435. In support of its application, South Kentucky filed its 1996-1997 Work Plan which describes in detail the improvements and additions to its plant that are required over the next 2 years to serve its load.

South Kentucky seeks authorization to construct extensions and additions to its plant as follows:

New Consumers	\$ 4,780,400
Transformers	1,433,600
Meters	219,200
Line Conversions	1,488,740
Conductor Replacement	859,550
Service Capacity Increases	169,845
Security Lights	500,000
Sectionalizing	162,600
Voltage Regulators	87,000
Ordinary Replacement Poles	177,500
Clearance Poles	<u>630,000</u>
 TOTAL	 <u>\$10,508,435</u>

The proposed construction will enable South Kentucky to continue to provide adequate and dependable electric service to its consumers. The system improvements recommended in this Work Plan will not duplicate existing facilities and are needed to correct voltage problems, improve phase balance, and provide for improved service reliability.

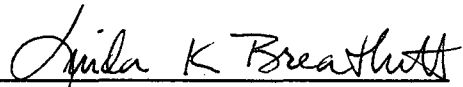
South Kentucky indicated that it planned to finance the new construction through the Rural Utilities Service and the National Rural Utilities Cooperative Finance Corporation.

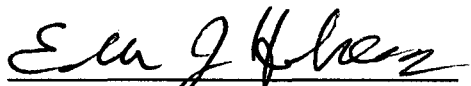
Based on the application and supporting 1996-1997 Work Plan, and being advised, the Commission finds that the proposed improvements and additions to be constructed by South Kentucky are necessary to provide adequate, reliable electric service to existing customers and anticipated new customers.

IT IS THEREFORE ORDERED that South Kentucky is granted a Certificate of Public Convenience and Necessity to construct the facilities described in its 1996-1997 Work Plan.

Done at Frankfort, Kentucky, this 7th day of October, 1996.

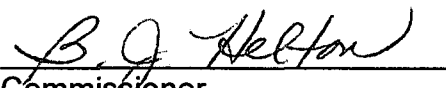
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner